

TO: Prospective Vendors
DATE: May 1, 2013
SUBJECT: Request for Proposal for Benefits Consulting and Broker Services

You are invited to submit Proposals for Benefits Consulting and Broker Services for Health, Dental, Vision, Life and Ancillary/Voluntary Benefits for the City of Locust Grove, Georgia ("City"). THIS IS NOT A REQUEST FOR INSURANCE COVERAGE.

This RFP **is not** an authorization to approach insurance companies or other underwriting sources on behalf of the City of Locust Grove. City specifically requests that no insurance market contact or solicitation be made at this time.

Attached are the general conditions, technical specifications, and submittal format.

The written requirements contained in this Request for Proposal (RFP) shall not be changed or superseded except by written addendum from the City of Locust Grove City Manager. Failure to comply with the written requirements for this RFP may result in disqualification of the submittal by the City of Locust Grove.

Submittals are to be sealed, marked with the submitting firm's name and address and labeled: "Benefits Consulting and Broker Services" and delivered to:

City of Locust Grove
Attention: Theresa Breedlove, City Clerk
P.O. Box 900
3644 Highway 42
Locust Grove, GA 30248

not later than Monday, May 20, 2013 at 12:00 P.M. local time.

City of Locust Grove reserves the right to reject any and all submittals, to waive any technicalities or irregularities and to award contracts based on the highest and best interest of City of Locust Grove.

Inquiries regarding this Request for Proposal (RFP) should be made to, Tim Young, City Manager at E-Mail of tyoung@locustgrove-ga.gov, in writing prior to the due date.



CITY OF LOCUST GROVE

REQUEST FOR PROPOSAL

Benefits Consulting and Brokerage Services

CITY OF LOCUST GROVE, GEORGIA
May 1, 2013



SECTION I - REQUEST FOR PROPOSAL OVERVIEW

A. PURPOSE

The purpose of this Request for Proposal (RFP) is to seek qualified brokers to assist City of Locust Grove with strategically planning, designing, negotiating and implementing the best coverage and cost for selective employee benefit programs to include Health, Dental, Vision, Life and Ancillary/Voluntary Benefits. THIS IS NOT A REQUEST FOR INSURANCE COVERAGE.

B. INFORMATION TO OFFERORS

1. RFP TIMETABLE The anticipated schedule for the RFP is as follows:
 - a. RFP Available May 1, 2013
 - b. Deadline for questions May 10, 2013
 - c. Submittal deadline Monday, May 20, 2013 12:00 p.m. (Noon), local time

2. BID SUBMISSION:

One (1) original and six (6) copies of the complete signed submittal must be received Monday, May 20, 2013 by 12:00 P.M. local time prevailing. Proposals must be submitted in a sealed envelope stating on the outside, the submitting firm name, address, and title (Benefits Consultant and Broker Services) to:

City of Locust Grove
Attention: Theresa Breedlove, City Clerk
PO Box 900
3644 Highway 42
Locust Grove, GA 30248

Hand delivered copies may be delivered to the above address ONLY between the hours of 8:30 a.m. and 5:00 p.m. ET, Monday through Friday, excluding holidays observed by the City of Locust Grove Government. Submitting firms are responsible for informing any commercial delivery service, if used, of all delivery requirements and for ensuring that the required address information appears on the outer wrapper or envelope used by such service. The Submittal must be signed by a company officer who is legally authorized to enter into a contractual relationship in the name of the submitting firm.

3. CONTACT PERSON:

- a. Submitting firms are encouraged to contact Tim Young Tel: (770) 957-5043, Fax: (770) 954-1223, Email: tyoung@locustgrove-ga.gov with questions on the RFP requirements. All questions that arise prior to the DEADLINE FOR QUESTIONS due date shall be directed to the contact person in WRITING. Any unauthorized



contact shall not be used as a basis for responding to this RFP and also may result in the disqualification of the prospective vendor's submittal.

4. ADDITIONAL INFORMATION/ADDENDA

City of Locust Grove will issue responses to inquiries and any other corrections or amendments it deems necessary in written addenda issued prior to the due date. Submitting firms should not rely on any representations, statements or explanations other than those made in this RFP or in any addendum to this RFP. Where there appears to be a conflict between the RFP and any addenda issued, the last addendum issued will prevail. Offerors must acknowledge any issued addenda by including Attachment B-Addenda Acknowledgement with the submittal. Proposals which fail to acknowledge the offeror's receipt of any addendum will result in the rejection of the offer if the addendum contains information which substantively changes the Owner's requirements

5. LATE SUBMITTAL, LATE MODIFICATIONS AND LATE WITHDRAWALS

Submittals received after the due date and time will not be considered. Modifications received after the due date will not be considered. City of Locust Grove Government assumes no responsibility for the premature opening of a proposal not properly addressed and identified, and/or delivered to the proper designation.

6. REJECTION OF PROPOSALS

The City of Locust Grove may reject any and all Proposals and reserves the right to waive any irregularities or informalities in any proposal or in the submittal procedure. Submittals received after said time or at any place other than the time and place as stated in the notice will not be considered.

7. MINIMUM RFP ACCEPTANCE PERIOD

Proposals shall be valid and may not be withdrawn for a period of 60 days from the date specified for receipt of proposals.

8. NON-COLLUSION AFFIDAVIT

By submitting a Proposal, the offeror represents and warrants that such proposal is genuine and not a sham or collusive or made in the interest or in behalf of any person not therein named and that the offeror has not directly or indirectly induced or solicited any other offeror to put in a sham proposal, or any other person, firm or corporation to refrain from submitting and that the offeror has not in any manner sought by collusion to secure to that offeror any advantage over any other offeror. By submitting a proposal, the offeror represents and warrants that no official or employee of City of

Locust Grove Government has, in any manner, an interest, directly or indirectly in the proposal or in the contract which may be made under it, or in any expected profits to arise therefrom.

9. COST INCURRED BY OFFERORS

All expenses involved with the preparation and submission of the RFP to the City of Locust Grove, or any work performed in connection therewith is the responsibility of the offeror(s).

10. RFP OPENING

Submitted proposals will not be opened or read aloud publicly. A list of names of firms providing Proposals may be obtained from Theresa Breedlove, City Clerk, after the Proposal due date and time stated herein.

11. TAXES

Selected vendor will be provided with City of Locust Grove's Sales and Use Tax Certificate of Exemption number upon request.

C. GENERAL PROCUREMENT INSTRUCTIONS

1. City of Locust Grove must receive all proposals not later than the date and time listed on the cover sheet of this proposal. Proposals must be sealed with "Benefits Consulting and Brokerage Services" clearly marked on the outside of the envelope. Seven (7) copies of the proposal must be received from each offeror (1 original, 6 copies). Each proposal must be signed and dated by an official authorized to bind the firm. Late proposals will not be considered for award. Electronic proposals (fax, email, etc.) will not be considered.
2. Proposals will be evaluated according to completeness, content, experience with similar projects, accessibility and ability of the broker and its staff. The award of a contract to one broker does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed to provide the best value to the City.
3. Brokers are cautioned that this is a request for offers, not a request to contract and the City reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the City.
4. Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.



5. Any costs incurred by broker in preparing or submitting offers are the broker's sole responsibility; City of Locust Grove will not reimburse any broker for any costs incurred prior to award.
6. Proposals must be submitted in accordance with the requirements of the RFP. Failure to include any required information may cause rejection of the proposal.
7. All respondents must complete the forms "References", "Execution of Proposal" and "Addenda Acknowledgement" and submit these forms with their proposal. Failure to complete and return these forms will automatically disqualify a respondent.

SECTION II - GENERAL CONDITIONS

A. Purpose:

The purpose of this Request for Proposal (RFP) is to seek qualified brokers to assist The City of Locust Grove with strategically planning, designing and negotiating the best coverage and cost for selective employee benefit programs. The City has approximately 46 full-time employees. City of Locust Grove is constantly competing to recruit and retain the best employees possible and fully expects to employ over 50 persons within the government within the next 12-24 months. The City must meet the coming challenges related to the Affordable Care Act regulations and requirements in addition to contain costs of providing benefits in a changing marketplace, including innovative ways to offset risk to obtain the best coverage at the lowest cost possible. Our leadership is looking to ensure we have financially competitive and affordable benefit programs to offer our employees.

B. Contract Period:

Any contract resulting from this proposal shall be effective beginning July 1, 2023. The City will hold the option to continue services under the terms and conditions stated in the contract for three (3) additional one-year extensions should it be in the best interest of the City and its employees to retain said services.

C. Respondent Qualifications:

City of Locust Grove requires qualified respondents to this RFP to be Licensed Brokers in the State of Georgia that are independent and not affiliated with any insurance company, third party administrative agency or provider network. The brokerage firm must have not less than 5 years experience in providing brokerage services to employers with at least 50 employees. Experience in the provision of brokerage services to public sector employers is required.

D. Scope of Work:



Provision of consulting and brokerage services to City of Locust Grove for employee benefit programs including health, dental, vision, life and ancillary/voluntary benefits under any agreement ensuing from this proposal will entail the following, at a minimum:

1. Auditing resulting contracts for accuracy of coverage, terms and conditions
2. Assisting with annual benefits renewals, including negotiation of changes in contracts
3. Assisting the City in determining specifications for future insurance coverage
4. Marketing the City's desired insurance package through identification of appropriate carriers, analysis of proposals, provisions of recommendations, and assistance in contract negotiation
5. Preparing, disseminating, and analyzing bid packages in accordance with City specifications, should formal bidding of insurance packages be deemed necessary
6. Reviewing the employee benefit package for quality of benefits provided, cost effectiveness, competitiveness and plan administration on an annual basis.
7. Monitor ongoing contracts, including third part administrators, to insure contract compliance.
8. Analyzing claims history and insurance utilization at least quarterly.
9. Providing information on employee benefit issues, trends and proposed or new legislation.
10. Meeting with the City administrative staff as needed.
11. Assisting in the design of employee benefits communications and participating in Benefit Fairs and annual enrollment process.
12. Providing a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration, and service provisions
13. Evaluating various insurance products submitted for consideration by insurance carriers
14. Perform other related consultation services as needed or requested.
15. Assist with compliance in: IRS Form 5500's, EEO1 reports, Legislative updates, FMLA Regulations, Employee Communications, and Open Enrollment Communication.

E. Vendor Proposal Requirements:

The proposal response must clearly demonstrate the required qualifications, expertise, competence and capability of the vendor. Please provide a concise description of your firm's ability to provide the services required in the Scope of this document. Costs incurred by firms responding to this RFP are solely their responsibility. Additionally, please include the answers to the following questions (Address each by number):

1. Confirm that you are a licensed broker in the State of Georgia and provide documentation. Confirm that you serve as a broker, independently, and are not employed by any insurance company, third party administrative agency or provider network.

2. Briefly describe your company's organization, philosophy, and management. Also, please provide a brief company history.
3. Describe your contractual relationships, if any, with organizations or entities necessary to your proposal's implementation (i.e. actuarial services, data information services, etc.).
4. How long has your organization been providing brokerage services?
5. How many public sector clients does your firm currently provide brokerage services to?
6. Please provide a list of four verifiable public sector references, all of whom are able to comment of your organization's relevant experience. Please include group name, contact name, and telephone number. Please furnish:
 - a. Services you provided
 - b. Benefit programs addressed
 - c. Time period covered
 - d. Number of covered employees
 - e. Contact name and phone number

It is the vendor's responsibility to provide valid reference information and the City reserves the right to use reference checks in its evaluation of proposals.

7. Indicate the method of service provision your organization would utilize in implementing your proposal (i.e. individual broker, individual broker with supporting back up, team of brokers). Include a **brief** professional history for each key individual who would work closely with City of Locust Grove and how they are qualified to provide services to the City.
8. Briefly describe the level of service and support provided to City of Locust Grove by your broker(s) on a day-to-day basis.
9. How does your firm provide continuing education to ensure that each broker is educated on current market trends and legislative developments? How is this information communicated to your clients?
10. Describe how you build an understanding of the direction and priorities of the City employee benefit program and how you would utilize this information to recommend changes and project future trends.
11. Detail how your organization assists clients in developing a strategic benefit plan.

12. Describe your organization's anticipated involvement in the annual renewal process. Include information regarding process timeframes, negotiation of rates and vendor selection. **NOTE: City of Locust Grove's current plan year for health and dental insurance is September 1st to August 31st.**
13. How does your firm assist City of Locust Grove in developing plan specifications? Explain your process for providing plan recommendations to your clients.
14. Explain the process your organization would utilize to assist City of Locust Grove in selecting an insurance vendor. How would your company's experience and expertise benefit the City of Locust Grove in this process?
15. Please provide a list of the vendors you have relationships with in regard to health, disability, life, supplemental health, and dental insurance plans.
16. Describe how your organization strives to streamline benefit administration for your clients. Include any services you provide for automation of the benefit process (i.e. electronic capabilities, outsourcing options). Attach any associated costs for these services on a separate fee schedule.
17. Describe how your organization has assisted other vendors in the evaluation and /or formulation of any Healthcare Reimbursement Accounts or Healthcare Spending Accounts). Attach any associated costs for these services on a separate fee schedule.
18. Detail how you develop a benefit communication strategy with your clients. Include what tools or resources you have available to assist your clients in effectively communicating not only the specific plan details but also the value of the benefits offered?
19. What training resources does your organization provide to assist your clients in educating and training their benefit staff?
20. How will you facilitate or participate in the implementation, communication, and enrollment process to assure a seamless product transition?
21. Provide any additional information regarding your organization or services that you feel would be beneficial in helping the City of Locust Grove to select a benefits broker.
22. Please detail your administrative capabilities on benefits plan compliance issues.
23. Please provide any background company data that will help identify financial stability.

F. Customer Service / Claims:

1. Where is your customer service office located?
2. What are the hours of operation for the customer service office?
3. Describe your problem or issue resolution process.
4. Do you have web based customer service? If yes, what is the website address? Is this password protected?
5. How many employees are located in your customer service office?
6. Please discuss a customer service representative's group load, to include:
 - a. Total number of clients
 - b. Total number of lives administered and/or insured
 - c. Maximum number of lives for which a customer service representative is responsible?
7. Would the client have a dedicated team of customer service representatives and agents?
8. What website customer care capabilities does your company offer? Please describe in detail the following, and outline any additional costs where applicable:
 - a. On-line web enrollment capabilities (open enrollment only or ongoing enrollment)
 - b. Group Administrator capabilities to include eligibility, change in status, address change, etc.
 - c. Employee viewing capabilities to include eligibility, claims reporting
9. What enrollment services will you provide, and at what charge?
10. Who will be responsible for assisting the City with enrollment?
11. Who will assist the City with ongoing administration (i.e. billing and enrollment)?
12. Who will assist the City with ongoing claims questions or problems?
13. What is your customer service toll free number?
14. Does your firm provide on-site employee enrollment meetings for new hires?

G. HIPAA / COBRA:

1. Do you provide COBRA administrative services? If yes, please explain the services provided and whether there is an additional fee associated with this service.
2. Do you provide HIPAA administrative services? If yes, please explain the services provided and whether there is an additional fee associated with this service.

H. Broker / Value Added Services:

1. Does your firm have experience in developing Wellness Programs, Disease Management Programs, Health Fairs or Employee Assistance Programs? Please provide names of clients who have utilized these offerings in the last 24 months.
2. Do you provide a consolidate employer HR web portal to access all benefit data to include plan summaries, certificates, network links, plan costs and census data on all employer programs?
3. Does your firm provide the necessary resources to generate annual "Employee Benefit Statements"?
4. Does your firm provide an Employer Handbook?
5. What HR training does your firm provide your group clients?
6. Does your firm provide access to a State and Federal Forms Library?
7. Does your firm provide a consolidated "Benefits Guide"?
8. Does your firm provide IRS Section 125 plans?
9. What is your website address? What capabilities does your site offer your clients?
10. What additional services does your firm provide?

I. Criteria for Evaluation:

All proposals will be evaluated according to, but not necessarily limited to, the following:

1. Your firm's indicated ability to provide a level of service sufficient to meet the City's needs, as stated in your response to item 3. (Scope of Services). (Vendor Proposal Requirements).

2. Extent and success of previous work your firm has provided to organizations similar in nature and size to City of Locust Grove, as determined by City of Locust Grove's contact with listed references.
3. The proposal itself as an example of your firm's work product.
4. Qualifications/experience of key personnel to be assigned to the project.
5. Adherence to RFP requirements, including: completion of all required forms; provision of all requested information; adequacy of responses, and return of the RFP by the stated deadline.

J. Pricing:

It is City of Locust Grove's expectation that brokerage fees and commissions will be borne by the selected insurance carrier/provider. If additional brokerage fees are expected of the City, or if your firm offers additional fee-supported services which are supplemental to your proposal, please clearly outline such costs and services on a separate fee addendum.

K. Oral Presentations:

During the evaluation process, City of Locust Grove may at its discretion, request oral presentations from any or all respondents for the purpose of clarification or amplifying the materials presented. However, respondents are cautioned that the City is not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the broker.

L. Final Selection:

Following review of all qualified proposals, selection of a suitable vendor, and preliminary contract negotiations, a recommendation will be made to the Mayor and City Council. Following Council approval, the City will complete contract negotiations. The selected vendor should be prepared to commence working on the employee benefit package immediately following contract execution.

Note: The City of Locust Grove reserves the right to accept the response that is determined to be in the best interest of the City and its employees. The City reserves the right to reject any and or all proposals.

COMPANY NAME _____

REFERENCES

PROPOSALS MUST LIST FOUR (4) PUBLIC SECTOR REFERENCES FOR WHOM SIMILAR WORK HAS BEENPERFORMED DURING THE PAST THREE (3) YEARS.

- (1) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____
- (2) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____
- (3) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____
- (4) CLIENT NAME _____
ADDRESS (Street) _____
ADDRESS (City, St, Zip) _____
CONTACT NAME _____
TELEPHONE/E-MAIL _____

THIS PAGE MUST BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.



EXECUTION OF PROPOSAL

DATE: _____

The potential Contractor certifies the following by placing an "X" in all blank spaces:

- ____ That this proposal was signed by an authorized representative of the firm.
- ____ That the potential Contractor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
- ____ That all labor costs associated with this project have been determined, including all direct and indirect costs.
- ____ That the potential Contractor agrees to the conditions as set forth in this Request for Proposal with no exceptions.

Therefore, in compliance with the foregoing Request for Proposal, and subject to all terms and conditions thereof, the undersigned offers and agrees, if this proposal is accepted within sixty (60) days from the date of the opening, to furnish the services for the prices quoted within the timeframe required.

Business Contact Representative

Operational Contact Representative

Vendor's Name Federal ID #

Address

Phone

Fax

Email

Authorized Signature Date

Typed Name & Title

THIS PAGE MUST BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.



ADDENDA ACKNOWLEDGEMENT

The Offeror has examined and carefully studied the Request for Proposals and the following Addenda, receipt of all of which is hereby acknowledged:

Addendum No. _____

Addendum No _____

Addendum No. _____

Addendum No. _____

Authorized Representative/Title Authorized Representative
(Print or Type)

(Date)

Authorized Representative/Title Authorized Representative
(Signature)

(Date)

Offerors must acknowledge any issued addenda. Proposals which fail to acknowledge the offeror's receipt of any addendum will result in the rejection of the offer if the addendum contained information which substantively changes the City's requirements.

